GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:656
ANSWERED ON:28.07.2005
REDUCTION IN MARKET SHARE IN FREIGHT TRAFFIC
Lahiri Shri Samik

Will the Minister of RAILWAYS be pleased to state:

(a) the comparative figure of fare in rupee value in freight traffic in Indian Railways and Railways in various countries; and

(b) the reasons for reduction in its market share in freight traffic in Indian Railways?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a) No such statistics is maintained.

(b) Although Railways percentage market share in freight traffic has decreased over the years, the fact is that the net traffic in tonnage has increased significantly. One of the factors in decrease of rail coefficient in the over all freight traffic is economised development of the country. Fifty years ago, there were hardly a handful of cement/fertilizer/iron & steel plants throughout the country and most finished products had to be carried over long distances by rail. Today, when these plants/industries are present in almost all parts of the country, the area of supply of their finished product has been reduced to within a radius of around 250-300 kms. For this range of distance, transportation by road has a definitive advantage since it provides last mile connectivity and door-to-door service to the customer.